IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPLICATION NO.2857 OF 2005

Pravin S.Lunkad ...Applicant

Versus

State of Maharashtra ...Respondent

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Mr.Shirish Gupte, Sr.Counsel with Mr.S.M.Railkar for Applicant.

Mr.V.B.Konde-Deshmukh, A.P.P. for Respondent.

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CORAM: A.M.KHANWILKAR, J.

MAY 2, 2005.

P.C.

1. Heard Counsel for the parties.

2. Even this Application will have to follow the suit as in the application for anticipatory bail preferred by the other Directors, being Criminal Application No.2445 of 2005 decided by separate order today.

3. Mr.Gupte, however, contends that insofar as the present Applicant is concerned, he was Chairman of the Bank and was not responsible for the day-to-day activities of the bank as such, which is the gravaman of allegations in the F.I.R., if read fairly. I see no reason to accept this submission. The F.I.R. will have to be read as a whole, for the time being.

4. As we are at the stage of anticipatory bail application, the F.I.R. does indicate the complicity of the Applicant, as it is seen that loan advance facility to the extent of Rs.100 lakhs was offered to the Applicant’s brother-in-law, in violation of the Regulations of Reserve Bank of India, issued from time to time in that behalf.

5. To get over this position, Mr.Gupte contends that now the Bank has arrived at settlement with the said Messrs.Jain, to whom, loan facility was extended. The fact that some settlement has now been arrived at with the permission of the Reserve Bank of India, cannot be

the basis to hold that no offence is made out at all.

6. On the other hand, the fact remains that disbursal to close relations of the Applicant, who was Chairman of the Bank, were made in disregard of the Regulations of the Reserve Bank of India. The fact that substantial amount has now been repaid and the said Messrs.Jain have offered to pay the balance amount as per the agreement, also will be of no avail for considering the prayer for anticipatory bail. Besides, disbursal made to the close relations of the Applicant, similar irregularities have been noticed with regard to the disbursal to close relations of one Umesh Chandrakant Babar, who is the employee of the Bank, so also, to the firms, where Vice-Chairman K.G.K.Rao, himself had interest.

7. Besides, there are other allegations in the F.I.R. as lodged, which will have to be investigated and the allegations as well as the offences being serious one, not a case for anticipatory bail. I see no reason to depart from

the opinion recorded by the lower Court in rejecting the prayer for anticipatory bail of the present Applicant. Hence, rejected.

8. At this stage, Mr.Gupte, on instructions, prays that the Applicant be granted some time to surrender before the appropriate Court, so as to apply for regular bail, if so advised. Learned A.P.P., on instructions, states that, that indulgence be shown, provided, the Applicant reports to the Investigating Officer as and when required.

9. Accordingly, Applicant is granted time to surrender till 9th May 2005 on the above condition.

10. The Applicant shall give advance notice to the Investigating Officer before moving the appropriate Court for regular bail.

11. In the event, Applicant fails to surrender before the appropriate Court on or before 9th May 2005, it will be open to the Investigating Officer to proceed against the Applicant in accordance with

law.

12. Needless to observe that rejection of the Anticipatory Bail ought not to influence the Application for regular bail, which may be preferred by the Applicant, which in turn, will have to be decided on its own merits in accordance with law.

13. Application disposed of on the above terms.

A.M.KHANWILKAR, J.